

(a) Taxable automobile trucks (consisting of automobile truck bodies and chassis);

(b) Taxable automobile buses (consisting of automobile bus bodies and chassis);

(c) Taxable truck and bus trailers and semitrailers (consisting of chassis and bodies of such trailers and semitrailers);

(d) Taxable tractors of the kind chiefly used for highway transportation in combination with a trailer or semitrailer;

(e) All other taxable automobile chassis and bodies;

(f) Taxable trailer and semitrailer chassis and bodies suitable for use in connection with passenger automobiles; and

(g) Taxable automobile parts and accessories.

(iv) With respect to an article which is:

(a) Taxable as “Combinations of household type refrigerators and quick-freeze units” under section 4111,

(b) Taxable as “Combinations of any of the foregoing” under sections 4141 and 4191, or

(c) A combination, other than a combination referred to in (a) or (b) of this subdivision, of articles taxable under the same section or different sections of Chapter 32 of the Code.

The industry test required by paragraph (c)(2)(iii) of this section for such article shall be met if such test is met for the article or articles which comprise more than 50 percent in value of the combination. In case of a combination consisting of a taxable article and a nontaxable article, the category for the taxable article in the combination shall constitute the industry for purposes of paragraph (c)(2)(iii) of this section.

[T.D. 6355, 24 FR 311, Jan. 14, 1959]

PARTS 151-155 [RESERVED]

PART 156—EXCISE TAX ON GREENMAIL

Subpart A—Tax on Greenmail

Sec.

156.5881-1 Imposition of excise tax on greenmail.

Subpart B—Procedure and Administration

156.6001-1 Notice or regulations requiring records, statements, and special returns.

156.6011-1 General requirement of return, statement, or list.

156.6061-1 Signing of returns and other documents.

156.6065-1 Verification of returns.

156.6071-1 Time for filing returns relating to greenmail.

156.6081-1 Extension of time for filing the return.

156.6091-1 Place for filing chapter 54 (Greenmail) tax returns.

156.6091-2 Exceptional cases.

156.6151-1 Time and place for paying of tax shown on returns.

156.6161-1 Extension of time for paying tax or deficiency.

156.6165-1 Bonds where time to pay tax or deficiency has been extended.

AUTHORITY: Sections 6001, 6011, 6061, 6071, 6091, 6161, and 7805 of the Internal Revenue Code of 1986 (26 U.S.C. 6001, 6011, 6061, 6071, 6091, 6161, and 7805), unless otherwise noted.

SOURCE: T.D. 8379, 56 FR 65685, Dec. 18, 1991, unless otherwise noted.

Subpart A—Tax on Greenmail

§ 156.5881-1 Imposition of excise tax on greenmail.

(a) *In general.* Section 5881 of the Code imposes a tax equal to 50 percent of the gain or other income realized by any person on the receipt of greenmail, whether or not the gain or other income is recognized.

(b) *Transactions occurring on or after March 31, 1988.* For transactions occurring on or after March 31, 1988, greenmail is defined as any consideration transferred by a corporation (or any person acting in concert with the corporation) to directly or indirectly acquire stock of the corporation from any shareholder if:

(1) The transferring shareholder has held the stock (as determined under section 1223) for less than two years before entering into the agreement to transfer the stock,

(2) The shareholder, any person acting in concert with the shareholder, or any person related to the shareholder or to a person acting in concert with the shareholder made or threatened to make a public tender offer for stock of the corporation at some time during the two-year period ending on the date

§ 156.6001-1

26 CFR Ch. I (4-1-02 Edition)

of the acquisition of the stock by the corporation, and

(3) The acquisition is pursuant to an offer that was not made on the same terms to all shareholders.

(c) *Transactions occurring before March 31, 1988.* For transactions occurring before March 31, 1988, greenmail has the same meaning as in paragraph (b) of this section, except that it does not include any consideration transferred by any person acting in concert with the corporation described in that paragraph.

(d) *Effective date.* Generally, section 5881 of the Code applies to consideration received after December 22, 1987, in taxable years ending after that date. However, section 5881 does not apply to any acquisition of stock pursuant to a written binding contract in effect on December 15, 1987, and at all times thereafter before the acquisition.

Subpart B—Procedure and Administration

§ 156.6001-1 Notice or regulations requiring records, statements, and special returns.

(a) *In general.* Any person subject to tax under chapter 54 (Greenmail) of the Code shall keep such complete and detailed records as are sufficient to enable the district director to determine accurately the amount of liability under chapter 54.

(b) *Notice by district director requiring returns, statements, or the keeping of records.* The district director may require any person, by notice served upon him, to make such returns, render such statements, or keep such specific records as will enable the district director to determine whether or not the person is liable for tax under chapter 54 of the Code.

(c) *Retention of records.* The records required by this section shall be kept at all times available for inspection by authorized internal revenue officers or employees, and shall be retained so long as the contents thereof may become material in the administration of any internal revenue law.

[T.D. 8379, 56 FR 65685, Dec. 18, 1991; 57 FR 5931, Feb. 18, 1992]

§ 156.6011-1 General requirement of return, statement, or list.

Every person liable for tax under section 5881 of the Code shall file a return with respect to the tax on the form prescribed by the Internal Revenue Service (Form 8725). Each such person shall include therein the information required by the form and the instructions issued with respect thereto.

§ 156.6061-1 Signing of returns and other documents.

Any return, statement, or other document required to be made with respect to a tax imposed by chapter 54 (Greenmail) of the Code or the regulations thereunder shall be signed by the person required to file the return, statement, or other document, or by the persons required or duly authorized to sign in accordance with the regulations, forms, or instructions prescribed with respect to such return, statement, or document. An individual's signature on such a return, statement, or other document shall be prima facie evidence that the individual is authorized to sign the return, statement, or other document.

§ 156.6065-1 Verification of returns.

If a return, statement, or other document made under the provisions of chapter 54 (Greenmail) or of subtitle F of the Code, or the regulations thereunder with respect to any tax imposed by chapter 54, or the form and instructions issued with respect to such return, statement, or other document, requires that it shall contain or be verified by a written declaration that it is made under the penalties of perjury, it must be so verified by the person or persons required to sign such return, statement, or other document. In addition, any other statement or document submitted under any provision of chapter 54 or of subtitle F of the Code, or the regulations thereunder with respect to any tax imposed by chapter 54 may be required to contain or be verified by written declaration that is made under the penalties of perjury.

§ 156.6071-1 Time for filing returns relating to greenmail.

(a) *In general.* Returns required by § 156.6011-1 (relating to liability for tax